

Digest of a Performance Audit of the Centennial School Program

In response to a legislative request, we reviewed the Centennial School program in the Strategic Planning Section of the Utah State Office of Education (USOE). The program will have a surplus balance of nearly \$452,000 at the end of fiscal year 1997, repeating past surpluses. We also have identified some administrative areas where efficiency can be improved, including the need for changes to the oversight of the budget and expenditure areas and the need to automate the computation and record keeping of Centennial School awards. In addition, we have concerns with the way in which an outside evaluator of the Centennial School program was obtained. Several program issues also need attention. First, after conducting an extended survey, we have determined that a full review of Centennial School program effectiveness is impractical at this time. This is because the USOE has not identified measurable program outcomes and because several factors prevent the isolation of Centennial School program effect from the effect of other programs. Second, we believe there is confusion over just what the Centennial School designation means; the USOE needs to more clearly define whether the program rewards attainment of a certain level of excellence or provides incentive for attempting systemic educational reform. Third, some schools foresee a significant cutback in activities after their Centennial School funding ends. Finally, we found that schools and districts are generally pleased with their relationship with USOE staff who coordinate the Centennial School program, but that some have concerns that the application process is lengthy and difficult.

The following briefly describes the findings of our audit:

Some Improvements Can be Made in Program Administration. Improvements can be made in the USOE's administration of the Centennial School program. Generally speaking, these are refinements that are needed to enhance current administrative processes. First, as in years past, the Centennial School program will have an excess balance of nearly \$452,000; consideration needs to be given to changing the way the program is funded so that the appropriation is based on actual needs. Second, the USOE circumvented normal state purchasing procedures and requirements when contracting for a review of the Centennial School program; the USOE and school districts should follow state procurement procedures when contracting with outside entities. Third, the administration of financial areas can improve, including increasing expenditure oversight, preventing errors in award calculations, and improving documentation of administrative decisions; requiring the districts to provide expenditure oversight and changing some administrative practices in Strategic Planning can address these financial issues.

Effectiveness and Other Issues Need to be Addressed. A number of different program issues came up during the audit, several of which surfaced during our efforts to assess the Centennial School program's effectiveness. First, the USOE has not identified

measurable program outcomes for the Centennial School program. Because of this, a full review of Centennial School program effectiveness is impractical at this time. Second, there is some confusion over just what the Centennial School designation means; the USOE should more clearly define whether the program rewards attainment of a certain level of excellence or provides incentive to pursue systemic educational reform. Third, we found that some schools foresee a significant cutback in activities when the extra funding runs out; other schools indicate they will not have to scale back since they do not require ongoing funding for their activities. Fourth, schools and districts are generally pleased with their relationship with USOE staff who coordinate the Centennial School program, but also indicated they feel the application process to become a Centennial School can improve.

Further information and recommendations for improving the Centennial School program can be found in the body of the report.